

Agency Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Agency Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	8,218,497	8,142,219	(76,278)	(0.93)%
Operating Expenses	9,598,832	10,385,137	786,305	8.19 %
Local Assistance	92,000	92,000	0	0.00 %
Grants	48,254,371	47,862,080	(392,291)	(0.81)%
Transfers	1,602,247	482,248	(1,119,999)	(69.90)%
Debt Service	2,753	0	(2,753)	(100.00)%
Total Expenditures	\$67,768,700	\$66,963,684	(\$805,016)	(1.19)%
General Fund	11,226,991	10,625,751	(601,240)	(5.36)%
State/Other Special Rev. Funds	14,386,989	14,449,732	62,743	0.44 %
Federal Spec. Rev. Funds	42,154,720	41,882,209	(272,511)	(0.65)%
Proprietary Funds	0	5,992	5,992	0.00 %
Total Funds	\$67,768,700	\$66,963,684	(\$805,016)	(1.19)%
Total Ongoing	\$63,055,154	\$62,825,001	(\$230,153)	(0.37)%
Total OTO	\$4,713,546	\$4,138,683	(\$574,863)	(12.20)%

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general, state special, and federal special revenue by \$160,672 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general, state special, and federal special revenue by \$80,221 in FY 2022 and \$80,451 in FY 2023
- A proposed increase in state special revenue by \$2,335,880 for the I-190 recreational marijuana to administer the allocation of revenue from sales tax to local government representing the locality where the retail sales occurred
- A decrease in state special revenue of \$46,975 to deplete the fund balance in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general, state special, and federal special revenue and personal services by \$321,408 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general, state special, and federal special revenue by \$160,475 in FY 2022 and \$160,933 in FY 2023
- Suspension of the employer share of group benefits for two months reducing general fund by \$48,256 in FY 2022
- A proposed one-time-only fund of \$643,630 in general and state special revenue for the Primary Business Sector Training, which replaced the ongoing new proposal of \$1,367,039 in general and state special revenue
- A proposed one-time-only fund of \$1,746,089 in general fund for the Indian Country Economic Development program, which replaced the ongoing general fund new proposal of \$1,749,903
- A proposed one-time-only fund of \$1,500,000 in general fund for the Indian Language Preservation program

65010 - Department Of Commerce

SUMMARY

- A proposed one-time-only fund of \$100,000 in general fund for the Export Trade Program
- A reduction of \$2,706 in state special revenue for the Delivering Local Assistance Program 1.00 FTE
- A reduction of \$3,001 in state special revenue for the Historic Preservation Grant 1.00 FTE
- Elimination of \$2,335,880 in state special revenue for the I-190 recreational marijuana to administer the allocation of revenue from sales tax to local government representing the locality where the retail sales occurred

Agency Actuals and Budget Comparison

The following table compares the last full fiscal year actuals, previous biennium appropriations by year, and current annual biennium budget request by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	46.05	46.05	50.05	50.05
Personal Services	3,273,554	4,079,355	4,139,142	4,040,623	4,101,596
Operating Expenses	2,637,637	4,654,264	4,944,568	5,267,618	5,117,519
Local Assistance	0	46,000	46,000	46,000	46,000
Grants	15,651,122	24,300,310	23,954,061	23,932,003	23,930,077
Transfers	800,000	801,123	801,124	241,124	241,124
Debt Service	2,754	2,753	0	0	0
Total Expenditures	\$22,365,067	\$33,883,805	\$33,884,895	\$33,527,368	\$33,436,316
General Fund	5,357,478	5,647,735	5,579,256	5,291,261	5,334,490
State/Other Special Rev. Funds	4,097,458	7,194,766	7,192,223	7,285,400	7,164,332
Federal Spec. Rev. Funds	12,910,131	21,041,304	21,113,416	20,947,711	20,934,498
Proprietary Funds	0	0	0	2,996	2,996
Total Funds	\$22,365,067	\$33,883,805	\$33,884,895	\$33,527,368	\$33,436,316
Total Ongoing	\$20,202,199	\$31,476,929	\$31,578,225	\$31,482,622	\$31,342,379
Total OTO	\$2,162,868	\$2,406,876	\$2,306,670	\$2,044,746	\$2,093,937

Funding

The following table shows proposed agency funding by source of authority.

Total Department of Commerce Funding by Source of Authority 2023 Biennium Budget Request - Department of Commerce						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	6,847,918	3,777,833	0	3,573,439	14,199,190	4.78 %
State Special Total	14,088,882	360,850	0	73,149,982	87,599,714	29.50 %
Federal Special Total	41,882,209	0	0	2,085,497	43,967,706	14.81 %
Proprietary Total	5,992	0	144,715,038	6,470,788	151,191,818	50.91 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$62,825,001	\$4,138,683	\$144,715,038	\$85,279,706	\$296,958,428	
Percent - Total All Sources	21.16 %	1.39 %	48.73 %	28.72 %		

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	3,354,256	3,354,256	6,708,512	63.13 %	31,578,225	31,578,225	63,156,450	94.31 %
SWPL Adjustments	24,502	20,443	44,945	0.42 %	64,359	(32,307)	32,052	0.05 %
PL Adjustments	47,705	46,756	94,461	0.89 %	(58,825)	(55,837)	(114,662)	(0.17) %
New Proposals	1,864,798	1,913,035	3,777,833	35.55 %	1,943,609	1,946,235	3,889,844	5.81 %
Total Budget	\$5,291,261	\$5,334,490	\$10,625,751		\$33,527,368	\$33,436,316	\$66,963,684	

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	3,677,250	3,688,101	10,851	0.30 %
Operating Expenses	5,247,630	5,749,353	501,723	9.56 %
Local Assistance	92,000	92,000	0	0.00 %
Grants	5,261,529	4,846,576	(414,953)	(7.89)%
Transfers	1,602,247	482,248	(1,119,999)	(69.90)%
Debt Service	803	0	(803)	(100.00)%
Total Expenditures	\$15,881,459	\$14,858,278	(\$1,023,181)	(6.44)%
General Fund	9,373,406	8,738,678	(634,728)	(6.77)%
State/Other Special Rev. Funds	4,815,609	4,403,082	(412,527)	(8.57)%
Federal Spec. Rev. Funds	1,692,444	1,716,518	24,074	1.42 %
Total Funds	\$15,881,459	\$14,858,278	(\$1,023,181)	(6.44)%
Total Ongoing	\$11,167,913	\$10,900,112	(\$267,801)	(2.40)%
Total OTO	\$4,713,546	\$3,958,166	(\$755,380)	(16.03)%

Page Reference

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Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general, state special, and federal special revenue by \$69,293 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general, state special, and federal special revenue by \$34,598 in FY 2022 and \$34,695 in FY 2023
- A decrease in state special revenue of \$46,975 to deplete the fund balance in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general, state special, and federal special revenue and personal services by \$138,611 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general, state special, and federal special revenue by \$69,209 in FY 2022 and \$69,402 in FY 2023
- Suspension of the employer share of group benefits for two months reducing general fund by \$31,553 in FY 2022
- A proposed one-time-only fund of \$643,630 in general and state special revenue for the Primary Business Sector Training, which replaced the ongoing new proposal of \$1,367,039 in general and state special revenue
- A proposed one-time-only fund of \$1,746,089 in general fund for the Indian Country Economic Development program, which replaced the ongoing general fund new proposal of \$1,749,903
- A proposed one-time-only fund of \$1,500,000 in general fund for the Indian Language Preservation program

- A proposed one-time-only fund of \$100,000 in general fund for the Export Trade Program

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	19.35	19.35	21.35	21.35
Personal Services	1,703,783	1,825,425	1,851,825	1,825,037	1,863,064
Operating Expenses	1,804,439	2,482,830	2,764,800	2,938,372	2,810,981
Local Assistance	0	46,000	46,000	46,000	46,000
Grants	2,585,776	2,830,389	2,431,140	2,424,251	2,422,325
Transfers	800,000	801,123	801,124	241,124	241,124
Debt Service	804	803	0	0	0
Total Expenditures	\$6,894,802	\$7,986,570	\$7,894,889	\$7,474,784	\$7,383,494
General Fund	4,449,145	4,723,097	4,650,309	4,354,014	4,384,664
State/Other Special Rev. Funds	1,637,955	2,424,472	2,391,137	2,260,458	2,142,624
Federal Spec. Rev. Funds	807,702	839,001	853,443	860,312	856,206
Total Funds	\$6,894,802	\$7,986,570	\$7,894,889	\$7,474,784	\$7,383,494
Total Ongoing	\$4,731,934	\$5,579,694	\$5,588,219	\$5,511,946	\$5,388,166
Total OTO	\$2,162,868	\$2,406,876	\$2,306,670	\$1,962,838	\$1,995,328

Funding

The following table shows proposed program funding by source of authority.

Department of Commerce, 51-Office of Tourism & Business Development Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	4,944,142	3,794,536	0	3,573,439	12,312,117	13.73 %
02090 Business Asst-Private	189,562	0	0	0	189,562	0.26 %
02100 Distressed Wood Products RLF	0	0	0	1,144,135	1,144,135	1.56 %
02116 Accommodation Tax Account	73,486	0	0	41,995,097	42,068,583	57.19 %
02154 MT Promotion-Private	570,000	0	0	0	570,000	0.77 %
02210 Microbusiness Admin Acct	357,941	0	0	0	357,941	0.49 %
02212 Microbusiness Loan Acct	997,768	0	0	0	997,768	1.36 %
02229 MT SSBCI Servicing Fees	68,560	0	0	0	68,560	0.09 %
02254 Regional Accommodation Tax	0	0	0	17,926,526	17,926,526	24.37 %
02271 L&C Bicentennial Plate Fund	0	0	0	21,400	21,400	0.03 %
02293 Film Production Credit	0	0	0	30,000	30,000	0.04 %
02444 Census Voting District Project	17,950	0	0	0	17,950	0.02 %
02771 Big Sky Economic Dev Program	0	0	0	8,045,534	8,045,534	10.94 %
02848 SBDC Private Revenue NonFed	46,975	0	0	0	46,975	0.06 %
02939 State-Tribal Economic Devel	376,478	0	0	0	376,478	0.51 %
02344 Primary Sector Training	1,190,732	163,630	0	0	1,354,362	1.84 %
02672 GAP Financing Program	350,000	0	0	0	350,000	0.48 %
State Special Total	\$4,239,452	\$163,630	\$0	\$69,162,692	\$73,565,774	82.03 %
03092 Distressed Woods Federal	0	0	0	2,085,497	2,085,497	54.85 %
03172 CARES Business Stabilization	0	0	0	0	0	0.00 %
03207 Small Business Dev. Centers	1,716,518	0	0	0	1,716,518	45.15 %
03331 OIT STEP	0	0	0	0	0	0.00 %
03069 CARES Tourism Education	0	0	0	0	0	0.00 %
03584 SBDC CARES Act	0	0	0	0	0	0.00 %
03685 CARES ACT Census	0	0	0	0	0	0.00 %
Federal Special Total	\$1,716,518	\$0	\$0	\$2,085,497	\$3,802,015	4.24 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$10,900,112	\$3,958,166	\$0	\$74,821,628	\$89,679,906	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	2,425,309	2,425,309	4,850,618	55.51 %	5,588,219	5,588,219	11,176,438	75.22 %
SWPL Adjustments	3,805	4,176	7,981	0.09 %	83,145	4,019	87,164	0.59 %
PL Adjustments	43,399	42,144	85,543	0.98 %	40,582	42,903	83,485	0.56 %
New Proposals	1,881,501	1,913,035	3,794,536	43.42 %	1,762,838	1,748,353	3,511,191	23.63 %
Total Budget	\$4,354,014	\$4,384,664	\$8,738,678		\$7,474,784	\$7,383,494	\$14,858,278	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	993	44	91	1,128		0.00	5,045	222	460	5,727
DP 2 - Fixed Costs										
0.00	3,554	75,876	3,329	82,759		0.00	(404)	194	(1,033)	(1,243)
DP 3 - Inflation Deflation										
0.00	(742)	0	0	(742)		0.00	(465)	0	0	(465)
DP 4 - ServiceNow										
0.00	(1,637)	(1,724)	(656)	(4,017)		0.00	(1,637)	(1,724)	(656)	(4,017)
DP 5108 - OTBD ADMINISTRATIVE COSTS ADJUSTMENTS HB2										
0.00	45,036	(4,542)	4,105	44,599		0.00	43,781	(853)	3,992	46,920
Grand Total All Present Law Adjustments										
0.00	\$47,204	\$69,654	\$6,869	\$123,727		0.00	\$46,320	(\$2,161)	\$2,763	\$46,922

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected Changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs

assessed by other agencies within state government for the services they provide. Examples include the following: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - ServiceNow -

The executive requests a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The executive is anticipating operating efficiencies and other savings by using ServiceNow.

DP 5108 - OTBD ADMINISTRATIVE COSTS ADJUSTMENTS HB2 -

This change package augments the 2023 biennium appropriation request for the Office of Tourism and Business Development to match the amount of anticipated private funds to be received as a result of more public/private partnerships and enhancements to the State Tribal Tourism Program. Adjustments are also made for computer equipment, and for indirect costs charged by the Director's Office for services provided to the division.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5101 OTBD PRIMARY BUSINESS SECTOR TRAINING OTO	1.00	240,000	81,337	0	321,337	1.00	240,000	82,293	0	322,293
DP 5102 - OTBD INDIAN COUNTRY ECONOMIC DEVELOPMENT OTO	1.00	873,054	0	0	873,054	1.00	873,035	0	0	873,035
DP 5103 - OTBD MT INDIAN LANGUAGE PRESERVATION OTO BIEN	0.00	750,000	0	0	750,000	0.00	750,000	0	0	750,000
DP 5105 - OTBD INCREASE EXPORT TRADE PROGRAM FUNDING OTO	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
DP 5107 - OTBD ELIMINATE MSUN BIOFUELS APPROPRIATION HB2	0.00	0	(200,000)	0	(200,000)	0.00	0	(200,000)	0	(200,000)
DP 5111 - SBDC PRIVATE REVENUE REDUCTION	0.00	0	0	0	0	0.00	0	(46,975)	0	(46,975)
DP 5555 - Reduce GF Budget for State Share Holiday OTO	0.00	(31,553)	0	0	(31,553)	0.00	0	0	0	0
Total	2.00	\$1,881,501	(\$118,663)	\$0	\$1,762,838	2.00	\$1,913,035	(\$164,682)	\$0	\$1,748,353

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5101 - OTBD PRIMARY BUSINESS SECTOR TRAINING OTO -

The executive requests a one-time-only increase in general and state special revenue funds for the Primary Sector Workforce Training Grant (WTG). The WTG is codified in Title 39, Chapter 11, MCA. The WTG is a state-funded program that provides grant funds to new and existing primary sector Montana businesses for training their employees in newly created full-time and part-time jobs.

DP 5102 - OTBD INDIAN COUNTRY ECONOMIC DEVELOPMENT OTO -

This executive proposes a one-time-only general fund increase for the Indian Country Economic Development (ICED) Program. The program was established to fulfill statutory obligations denoted in 90-1-132, MCA. ICED provides small equity grants, business advisory host funds, and tribal government business planning resources. Funding is distributed to the eight tribal nations, tribal economic development organizations, and tribal member businesses.

DP 5103 - OTBD MT INDIAN LANGUAGE PRESERVATION OTO BIEN -

The executive requests a one-time-only general fund increase for the Montana Indian Language Preservation Program (MILP). The MILP was established to address the rapid language loss of Native American languages in the state and to preserve this rich aspect of Montana and tribal heritage. Each tribal nation develops and makes accessible curricula, audio, and video recordings and reference materials to assist in preserving and perpetuating Indian languages.

DP 5105 - OTBD INCREASE EXPORT TRADE PROGRAM FUNDING OTO -

The executive proposes a one-time-only increase in the general fund to leverage more state trade and export promotion (STEP) grant dollars from the Federal Small Business Administration (SBA) (a 3 federal:1 state match), subscription to international market data resources for consulting with clients on international markets, and increased professional development to improve staff's proficiency for counseling clients on international trade.

DP 5107 - OTBD ELIMINATE MSUN BIOFUELS APPROPRIATION HB2 -

The executive proposes this change package to remove the 2023 biennium HB 2 base level biofuels appropriation from the big sky trust fund paid to MSU Northern. In the 2017 and 2019 sessions the legislature added HB 2 appropriations from the big sky trust fund (BSTF) for a biofuels project at MSU Northern. Because the fund balance in BSTF is projected to be exhausted by June 30, 2021 the department proposes to eliminate this appropriation.

DP 5111 - SBDC PRIVATE REVENUE REDUCTION -

There is no new revenue coming into this fund. The department will deplete the fund balance in FY 2023.

DP 5555 - Reduce GF Budget for State Share Holiday OTO -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generate by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	4,501,800	4,415,914	(85,886)	(1.91)%
Operating Expenses	3,988,617	4,266,596	277,979	6.97 %
Grants	41,842,842	41,815,504	(27,338)	(0.07)%
Debt Service	1,950	0	(1,950)	(100.00)%
Total Expenditures	\$50,335,209	\$50,498,014	\$162,805	0.32 %
General Fund	1,853,585	1,887,073	33,488	1.81 %
State/Other Special Rev. Funds	9,169,348	9,645,250	475,902	5.19 %
Federal Spec. Rev. Funds	39,312,276	38,965,691	(346,585)	(0.88)%
Total Funds	\$50,335,209	\$50,498,014	\$162,805	0.32 %
Total Ongoing	\$50,335,209	\$50,317,497	(\$17,712)	(0.04)%
Total OTO	\$0	\$180,517	\$180,517	100.00 %

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Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and general, state special, and federal special revenue by \$86,031 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and general, state special, and federal special by \$42,950 in FY 2022 and \$43,081 in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces general, state special, and federal special and personal services by \$172,098 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and general, state special, and federal special by \$85,919 in FY 2022 and \$86,179 in FY 2023
- Suspension of the employer share of group benefits for two months reducing general fund by \$16,703 in FY 2022
- A reduction of \$2,706 in state special revenue for the Delivering Local Assistance Program 1.00 FTE
- A reduction of \$3,001 in state special revenue for the Historic Preservation Grant 1.00 FTE

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	25.45	25.45	27.45	27.45
Personal Services	1,562,011	2,234,942	2,266,858	2,196,455	2,219,459
Operating Expenses	740,885	1,990,137	1,998,480	2,144,648	2,121,948
Grants	12,628,987	20,919,921	20,922,921	20,907,752	20,907,752
Debt Service	1,950	1,950	0	0	0
Total Expenditures	\$14,933,833	\$25,146,950	\$25,188,259	\$25,248,855	\$25,249,159
General Fund	908,333	924,638	928,947	937,247	949,826
State/Other Special Rev. Funds	2,359,430	4,570,009	4,599,339	4,824,209	4,821,041
Federal Spec. Rev. Funds	11,666,070	19,652,303	19,659,973	19,487,399	19,478,292
Total Funds	\$14,933,833	\$25,146,950	\$25,188,259	\$25,248,855	\$25,249,159
Total Ongoing	\$14,933,833	\$25,146,950	\$25,188,259	\$25,166,947	\$25,150,550
Total OTO	\$0	\$0	\$0	\$81,908	\$98,609

Funding

The following table shows proposed program funding by source of authority.

Department of Commerce, 60-Community Development Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	1,903,776	(16,703)	0	0	1,887,073	3.71 %
02049 Hard Rock Mining	494,602	0	0	368,736	863,338	8.62 %
02116 Accommodation Tax Account	217,345	0	0	0	217,345	2.17 %
02218 School Facility & Tech Account	0	0	0	0	0	0.00 %
02270 Treasure State Endowment	1,430,427	197,220	0	0	1,627,647	16.25 %
02445 Coal Board	7,305,656	0	0	0	7,305,656	72.95 %
02217 Historic Preservation Grants	0	0	0	0	0	0.00 %
State Special Total	\$9,448,030	\$197,220	\$0	\$368,736	\$10,013,986	19.69 %
03059 Community Development Block	14,934,824	0	0	0	14,934,824	38.33 %
03061 EDA Revolving Loan Fund	945,974	0	0	0	945,974	2.43 %
03300 Home Grants	16,524,355	0	0	0	16,524,355	42.41 %
03932 CDBG RLF	566,232	0	0	0	566,232	1.45 %
03585 HTF	5,994,306	0	0	0	5,994,306	15.38 %
Federal Special Total	\$38,965,691	\$0	\$0	\$0	\$38,965,691	76.60 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$50,317,497	\$180,517	\$0	\$368,736	\$50,866,750	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	928,947	928,947	1,857,894	98.45 %	25,188,259	25,188,259	50,376,518	99.76 %
SWPL Adjustments	20,697	16,267	36,964	1.96 %	(127,328)	(144,968)	(272,296)	(0.54)%
PL Adjustments	4,306	4,612	8,918	0.47 %	10,149	10,982	21,131	0.04 %
New Proposals	(16,703)	0	(16,703)	(0.89)%	177,775	194,886	372,661	0.74 %
Total Budget	\$937,247	\$949,826	\$1,887,073		\$25,248,855	\$25,249,159	\$50,498,014	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	3,491	(14,275)	(179,878)	(190,662)	0.00	5,516	(13,239)	(176,734)	(184,457)
DP 2 - Fixed Costs	0.00	17,315	22,020	24,976	64,311	0.00	10,820	17,046	12,236	40,102
DP 3 - Inflation Deflation	0.00	(109)	(519)	(349)	(977)	0.00	(69)	(326)	(218)	(613)
DP 4 - ServiceNow	0.00	(1,308)	(1,979)	(1,501)	(4,788)	0.00	(1,308)	(1,979)	(1,501)	(4,788)
DP 6003 - CDD ADMINISTRATIVE COSTS ADJUSTMENTS HB2	0.00	5,614	25,145	(15,822)	14,937	0.00	5,920	25,314	(15,464)	15,770
Grand Total All Present Law Adjustments	0.00	\$25,003	\$30,392	(\$172,574)	(\$117,179)	0.00	\$20,879	\$26,816	(\$181,681)	(\$133,986)

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected Changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 4 - ServiceNow -

The executive requests a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium. The executive is anticipating operating efficiencies and other savings by using ServiceNow.

DP 6003 - CDD ADMINISTRATIVE COSTS ADJUSTMENTS HB2 -

Includes adjustments for indirect costs paid to the Director's Office for support services provided to supported divisions, bureaus, and programs; and an adjustment for the fluctuation of federal grant amounts in Community Development Block Grant Program.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday OTO	0.00	(16,703)	0	0	(16,703)	0.00	0	0	0	0
DP 6001 - CDD CONTINUE 1.00 HB652 DLA FTE BIEN/OTO HB2	1.00	0	98,611	0	98,611	1.00	0	98,609	0	98,609
DP 6002 - CDD 1.00 HISTORIC PRESERVATION GRANT FTE	1.00	0	95,867	0	95,867	1.00	0	96,277	0	96,277
Total	2.00	(\$16,703)	\$194,478	\$0	\$177,775	2.00	\$0	\$194,886	\$0	\$194,886

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5555 - Reduce GF Budget for State Share Holiday OTO -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generate by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.

DP 6001 - CDD CONTINUE 1.00 HB652 DLA FTE BIEN/OTO HB2 -

House Bill 652 passed in the 2019 legislative session and appropriated \$21.5 million to the Community Development Division in the Department of Commerce for grants to local governments through the Delivering Local Assistance Program (DLA). The 1.00 FTE in this decision package will support the grant program through completion.

**LFD
COMMENT**

The 1.00 FTE for the Delivering Local Assistance Program was initially requested for the 2021 biennium. The Office of Budget and Program Planning approved this FTE as a modified position. This change package requests that the FTE described above and associated operating costs from the state special revenue fund be made for the 2023 biennium.

DP 6002 - CDD 1.00 HISTORIC PRESERVATION GRANT FTE -

The Community Development Division was tasked by the 2019 Legislature with administering the Historic Preservation Grant Program. The executive is requesting a 1.00 FTE Historic Preservation Grant Program specialist position to standup/ staff the Historic Preservation Grant Program. The program is meant to preserve historic sites, historical societies or history museums.

**LFD
COMMENT**

The 1.00 FTE for the Historic Preservation Grant Program was initially requested for the 2021 biennium. The Office of Budget and Program Planning approved this FTE as a modified position. This change package requests that the FTE described above, and the associated operating costs become permanent for the 2023 biennium and beyond.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	39,447	38,204	(1,243)	(3.15)%
Operating Expenses	362,585	363,196	611	0.17 %
Total Expenditures	\$402,032	\$401,400	(\$632)	(0.16)%
State/Other Special Rev. Funds	402,032	401,400	(632)	(0.16)%
Total Funds	\$402,032	\$401,400	(\$632)	(0.16)%
Total Ongoing	\$402,032	\$401,400	(\$632)	(0.16)%
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

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Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services and state special revenue by \$5,348 when compared to the 2021 biennium
 - The elimination of vacancy savings increased personal services and state special revenue by \$2,673 in FY 2022 and \$2,675 in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces state special revenue and personal services by \$10,699 when compared to the 2021 biennium
 - The proposed 4.0% vacancy savings reduction in personal services reduces personal services and state special revenue by \$5,347 in FY 2022 and \$5,352 in FY 2023

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	1.25	1.25	1.25	1.25
Personal Services	7,760	18,988	20,459	19,131	19,073
Operating Expenses	92,313	181,297	181,288	181,602	181,594
Total Expenditures	\$100,073	\$200,285	\$201,747	\$200,733	\$200,667
State/Other Special Rev. Funds	100,073	200,285	201,747	200,733	200,667
Total Funds	\$100,073	\$200,285	\$201,747	\$200,733	\$200,667
Total Ongoing	\$100,073	\$200,285	\$201,747	\$200,733	\$200,667
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Commerce, 78-Board of Horse Racing Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
02029 BOHR Operation Fund	401,400	0	0	770,000	1,171,400	100.00 %
State Special Total	\$401,400	\$0	\$0	\$770,000	\$1,171,400	100.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$401,400	\$0	\$0	\$770,000	\$1,171,400	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	201,747	201,747	403,494	100.52 %
SWPL Adjustments	0	0	0	0.00 %	108,542	108,642	217,184	54.11 %
PL Adjustments	0	0	0	0.00 %	(109,556)	(109,722)	(219,278)	(54.63)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$200,733	\$200,667	\$401,400	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----					-----Fiscal 2023-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services										
0.00	0	108,542	0	108,542	0.00	0	108,642	0	108,642	
DP 7801 - BOHR ADMINISTRATIVE COSTS ADJUSTMENTS HB2										
0.00	0	(109,556)	0	(109,556)	0.00	0	(109,722)	0	(109,722)	
Grand Total All Present Law Adjustments										
0.00	\$0	(\$1,014)	\$0	(\$1,014)	0.00	\$0	(\$1,080)	\$0	(\$1,080)	

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

1. Expected Changes
2. Personal services management decisions
3. Modifications made to the personal services budget in the 2021 biennium

DP 7801 - BOHR ADMINISTRATIVE COSTS ADJUSTMENTS HB2 -

This change package reduces the Board of Horse Racing's 2023 biennium personal services budget to current estimates for the 2023 biennium. The Board of Horse Racing currently is contracting for its executive secretary, which is funded through an operating expense category. This change package simply removes the 2023 biennium personal services funding for the position without removing the board's executive secretary position.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Operating Expenses	0	5,992	5,992	0.00 %
Grants	1,150,000	1,200,000	50,000	4.35 %
Total Expenditures	\$1,150,000	\$1,205,992	\$55,992	4.87 %
Federal Spec. Rev. Funds	1,150,000	1,200,000	50,000	4.35 %
Proprietary Funds	0	5,992	5,992	0.00 %
Total Funds	\$1,150,000	\$1,205,992	\$55,992	4.87 %
Total Ongoing	\$1,150,000	\$1,205,992	\$55,992	4.87 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

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Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- A proposed increase in state special revenue by \$2,335,880 for the I-190 recreational marijuana to administer the allocation of revenue from sales tax to local government representing the locality where the retail sales occurred

Changes between the December 15th budget submission and the January 7th budget submission include:

- Elimination of \$2,335,880 in state special revenue for the I-190 recreational marijuana to administer the allocation of revenue from sales tax to local government representing the locality where the retail sales occurred

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
Operating Expenses	0	0	0	2,996	2,996
Grants	436,359	550,000	600,000	600,000	600,000
Total Expenditures	\$436,359	\$550,000	\$600,000	\$602,996	\$602,996
Federal Spec. Rev. Funds	436,359	550,000	600,000	600,000	600,000
Proprietary Funds	0	0	0	2,996	2,996
Total Funds	\$436,359	\$550,000	\$600,000	\$602,996	\$602,996
Total Ongoing	\$436,359	\$550,000	\$600,000	\$602,996	\$602,996
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Commerce, 81-Directors Office Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0	0.00 %
02583 I190 Marijuana Funds	0	0	0	0	0	0.00 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
03441 MCDD	1,200,000	0	0	0	1,200,000	100.00 %
Federal Special Total	\$1,200,000	\$0	\$0	\$0	\$1,200,000	19.99 %
06015 Facilities Finance Authority	0	0	0	0	0	0.00 %
06542 Commerce Centralized Services	5,992	0	4,797,728	0	4,803,720	100.00 %
Proprietary Total	\$5,992	\$0	\$4,797,728	\$0	\$4,803,720	80.01 %
Total All Funds	\$1,205,992	\$0	\$4,797,728	\$0	\$6,003,720	

Program Budget Summary by Category

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	600,000	600,000	1,200,000	99.50 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	2,996	2,996	5,992	0.50 %
Total Budget	\$0	\$0	\$0		\$602,996	\$602,996	\$1,205,992	

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 8104 - NRIS/GIS Fixed Costs	0.00	0	0	0	2,996	0.00	0	0	0	2,996
Total	0.00	\$0	\$0	\$0	\$2,996	0.00	\$0	\$0	\$0	\$2,996

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 8104 - NRIS/GIS Fixed Costs -

The 2019 Legislature enacted HB 633 requiring the Legislative Finance Committee (LFC) to conduct a study of the funding of digital library services. This action is in line with the Legislative Finance Committee proposal to include these costs in the statewide fixed cost adjustments for state agencies beginning in the 2023 biennium that utilize the NRIS/GIS.